

Effective 5/10/2016

32B-6-403 Commission's power to issue club license.

- (1) Before a person may store, sell, offer for sale, furnish, or allow the consumption of an alcoholic product on its premises as a club licensee, the person shall first obtain a club license from the commission in accordance with this part.
- (2) The commission may issue a club license to establish club licensed premises at places and in numbers the commission considers proper for the storage, sale, offer for sale, furnishing, and consumption of an alcoholic product on premises operated by a club licensee.
- (3) Subject to Section 32B-1-201:
 - (a) The commission may not issue a total number of club licenses that at any time exceeds the number determined by dividing the population of the state by 7,850.
 - (b) The commission may issue a seasonal club license in accordance with Section 32B-5-206 to:
 - (i) a dining club licensee; or
 - (ii) a social club licensee.
 - (c)
 - (i) If the location, design, and construction of a hotel may require more than one dining club license or social club license location within the hotel to serve the public convenience, the commission may authorize as many as three club license locations within the hotel under one club license if:
 - (A) the hotel has a minimum of 150 guest rooms;
 - (B) all locations under the club license are:
 - (I) within the same hotel; and
 - (II) on premises that are managed or operated, and owned or leased, by the club licensee; and
 - (C) the locations under the club license operate under the same type of club license.
 - (ii) A facility other than a hotel shall have a separate club license for each club license location where an alcoholic product is sold, offered for sale, or furnished.
 - (d) When a business establishment undergoes a change of ownership, the commission may issue a club license to the new owner of the business establishment notwithstanding that there is no club license available under Subsection (3)(a) if:
 - (i) the primary business activity at the business establishment before and after the change of ownership is not the sale, offer for sale, or furnishing of an alcoholic product;
 - (ii) before the change of ownership there are two or more licensed premises on the business establishment that operate under a retail license, with at least one of the retail licenses being a club license;
 - (iii) subject to Subsection (3)(e), the licensed premises of the club license issued under this Subsection (3)(d) is at the same location where the club license licensed premises was located before the change of ownership; and
 - (iv) the person who is the new owner of the business establishment qualifies for the club license, except for there being no club license available under Subsection (3)(a).
 - (e) If a club licensee of a club license issued under Subsection (3)(d) requests a change of location, the club licensee may retain the club license after the change of location only if on the day on which the club licensee seeks a change of location a club license is available under Subsection (3)(a).

Amended by Chapter 80, 2016 General Session